GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1744
ANSWERED ON:08.03.2001
CESS PAID BY ONGC TO OIL INDUSTRY DEVELOPMENT BOARD
PUSHPDAN SHAMBHUDAN GADHAVI

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) The total amount of cess paid by Oil and Natural Gas Corporation (ONGC) to Oil Industry Development Board during the last three years;

(b) The purpose for which Oil Industry Development Board utilised the said cess amount; and

(c) The extent to which the Board has succeeded in achieving the target?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLUEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a) to (c) Oil and Natural Gas Corporation (ONGC) is not required to pay any cess to Oil Industry Development Board. However, the proceeds of cess, levied under the provision of the Oil Industry (Development) Act, 1974, are first credited to the Consolidated Fund of India and the Central Government may, if Parliament by appropriation made by law in this behalf, so provides, pay to the Oil Industry Development Board (OIDB), from time to time, from out of such proceeds, after deducting the expenses of collection, such sums of money as it may think fit for being utilised exclusively for the purposes of the Act.

During the last three years, no appropriation has been made by the Central Governmentto OIDB out of the cess proceeds. From the funds available, OIDB continued to extend financial assistance to the oil industry in terms of Section 6(1) of the Oil Industry (Development) Act, 1974 during the period in question.